

WORKFORCE OBSERVATIONS FOR NORTHWEST WISCONSIN COUNTIES

JUNE 2003



State of Wisconsin
Department of Workforce Development

Unemployment Plummets in Northwest Counties in May

The number of unemployed in Northwest Wisconsin took a characteristic dive in May as thousands of seasonal workers returned to their employers. The number of unemployed in the ten-county region declined from 7,500 in April to 5,100 in May and the regional unemployment rate followed. The unemployment rate in the area in May was 5.4 percent, down from 7.8 percent in April. More significant, the unemployment rate is also down from 6.0 percent one year ago.

According to estimates released by the Department of Workforce Development, the number of employed residents increased by nearly 2,500 workers in May. That's about 100 more than the decline in the number of unemployed, commented Beverly Gehrke, labor market analyst for the region. It means that the increase in workers did not go far beyond those who were returning to jobs they held previously. In other words, there were few new jobs for jobseekers.

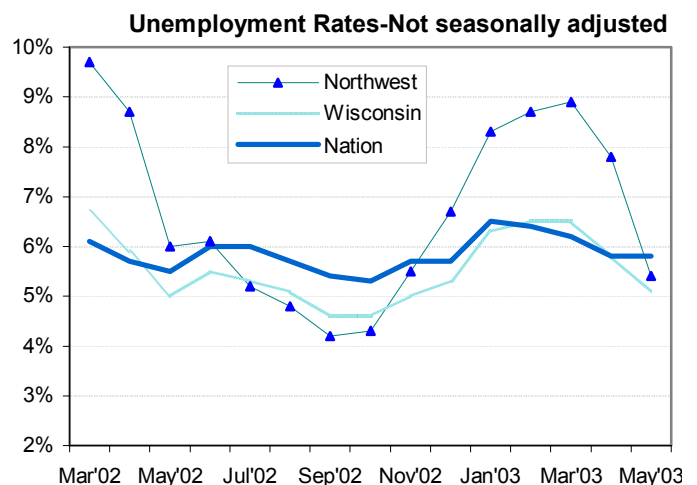
The greatest decline in unemployment rate in the state occurred in Iron County where small changes have a large impact on the labor force. The number of unemployed in the county declined by 140 residents and the unemployment rate tumbled from 12.8 percent in April to 8.5 percent in May. In spite of this reduction, Iron County had the second highest rate in the state in May.

Every county in the state except Milwaukee posted a lower unemployment rate in May but some of the largest reductions occurred in the northern counties. In April the unemployment rates in these counties had been among the highest in the state. The seasonal fluctuations in construction and tourism account for most of the large swings in employment and unemployment in Northwest Wisconsin.

The unemployment rate in Bayfield County declined

from 8.8 percent in April to 5.3 percent in May. In Rusk County the rate declined from 8.4 to 5.2 percent, in Sawyer it dropped from 8.0 to 4.9 percent, and in Taylor from 8.5 to 5.5 percent. The labor force in both Rusk and Taylor counties was positively effected by the return to work of the many production workers in jobs with lumber and wood manufacturers.

The unemployment rate in Washburn County declined from 7.7 percent in April to 5.2 percent in May, in Price the rate dropped from 7.5 to 5.3 percent, in Burnett the unemployment rate declined from 6.1 to 4.2 percent, and in Douglas the unemployment rate dropped from 6.2 to 5.0 percent.



	Mar'02	Apr'02	May'02	Mar'03	Apr'03	May'03
Northwest	9.7%	8.7%	6.0%	8.9%	7.8%	5.4%
Wisconsin	6.7%	5.9%	5.0%	6.5%	5.8%	5.1%
Nation	6.1%	5.7%	5.5%	6.2%	5.8%	5.8%

Civilian Labor Force Estimates for Northwest Wisconsin counties: Current month - May, 2003

	Ashland			Bayfield			Burnett			Douglas			Iron		
	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02
Civilian labor force	8,751	8,605	8,386	7,846	7,802	7,442	8,189	8,148	7,718	23,166	23,281	22,954	3,291	3,278	3,287
Employed	8,125	7,778	7,674	7,429	7,112	7,017	7,849	7,648	7,321	22,010	21,827	21,632	3,012	2,859	3,018
Unemployed	626	827	712	417	690	425	340	500	397	1,156	1,454	1,322	279	419	269
% unemployed	7.2	9.6	8.5	5.3	8.8	5.7	4.2	6.1	5.1	5.0	6.2	5.8	8.5	12.8	8.2

	Price			Rusk			Sawyer			Taylor			Washburn		
	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02
Civilian labor force	7,352	7,506	6,930	7,165	7,373	7,116	10,457	10,171	10,515	11,071	11,085	10,587	8,329	8,222	8,168
Employed	6,962	6,946	6,548	6,794	6,754	6,578	9,943	9,356	10,023	10,459	10,142	10,060	7,898	7,590	7,691
Unemployed	390	560	382	371	619	538	514	815	492	612	943	527	431	632	477
% unemployed	5.3	7.5	5.5	5.2	8.4	7.6	4.9	8.0	4.7	5.5	8.5	5.0	5.2	7.7	5.8

* not seasonally adjusted

Industry Employment Estimates: Current month - May 2003

(Employment in thousands)	Ashland			Bayfield			Burnett			Douglas			Iron		
	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02
Total Nonfarm	9.2	8.9	8.9	4.2	3.9	4.0	5.3	5.2	5.1	18.8	18.4	17.9	2.3	2.1	2.3
Const/Min'g/Nat. Resources	0.5	0.4	0.5	0.3	0.2	0.2	0.3	0.3	0.3	0.9	0.8	0.9	0.3	0.2	0.3
Manufacturing	1.1	1.1	1.2	0.1	0.1	0.1	0.9	0.9	1.0	1.1	1.2	1.2	0.4	0.4	0.4
Trade	1.1	1.0	1.2	0.4	0.4	0.4	0.7	0.6	0.6	3.2	3.1	3.2	0.3	0.3	0.3
Transportation & Utilities	0.3	0.2	0.3	0.2	0.1	0.1	0.1	0.1	0.1	2.2	2.1	2.2	0.1	0.0	0.0
Financial Activities	0.4	0.4	0.3	0.1	0.1	0.1	0.2	0.2	0.2	0.5	0.5	0.5	0.1	0.1	0.1
Education & Health Services	1.9	1.9	1.8	0.3	0.3	0.3	0.6	0.6	0.6	1.7	1.7	1.8	0.3	0.3	0.3
Leisure & Hospitality	1.1	1.0	0.9	1.1	0.9	0.9	0.7	0.6	0.6	2.4	2.3	2.2	0.3	0.3	0.3
Info, Prof/Bus.Srv, Othr Srv.	0.6	0.5	0.7	0.2	0.2	0.3	0.2	0.2	0.3	3.4	3.4	2.9	0.1	0.1	0.1
Total Government	2.3	2.2	2.0	1.4	1.4	1.4	1.5	1.5	1.4	3.3	3.3	3.0	0.4	0.3	0.4

	Price			Rusk			Sawyer			Taylor			Washburn		
	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02
Total Nonfarm	6.8	6.7	6.5	6.1	6.0	6.0	7.1	6.7	7.3	9.3	8.9	9.0	6.3	6.0	6.2
Const/Min'g/Nat. Resources	0.2	0.2	0.2	0.4	0.4	0.3	0.4	0.4	0.4	0.4	0.3	0.4	0.3	0.3	0.3
Manufacturing	2.6	2.6	2.4	2.1	2.0	2.1	0.5	0.5	0.5	2.7	2.7	2.8	1.1	1.1	1.1
Trade	0.7	0.7	0.8	0.6	0.6	0.6	1.2	1.2	1.3	1.4	1.4	1.4	0.9	0.9	0.9
Transportation & Utilities	0.1	0.1	0.1	0.2	0.2	0.2	0.1	0.1	0.1	0.5	0.4	0.5	0.2	0.2	0.2
Financial Activities	0.2	0.2	0.2	0.1	0.1	0.1	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2
Education & Health Services	0.8	0.8	0.8	0.4	0.4	0.4	0.7	0.7	0.7	1.2	1.1	1.1	0.8	0.8	0.8
Leisure & Hospitality	0.4	0.4	0.4	0.4	0.3	0.4	1.2	1.0	1.1	0.6	0.5	0.6	0.8	0.7	0.7
Info, Prof/Bus.Srv, Othr Srv.	0.6	0.7	0.5	0.6	0.6	0.5	0.6	0.6	0.8	1.1	1.1	0.9	0.4	0.4	0.4
Total Government	1.0	1.1	1.1	1.4	1.4	1.4	2.0	2.0	2.1	1.1	1.1	1.1	1.5	1.5	1.5

Current month preliminary. Estimates based on March 2002 benchmark. Summing from unrounded numbers.

The state unadjusted unemployment rate in May declined to 5.1 percent from 5.8 percent in April, while the national unadjusted rate was unchanged at 5.8 percent. Seasonally adjusted the state rate was 5.4 percent and the national rate was 6.1 percent.

Some of the reasons for the decline in local unemployment rates are visible in the nonfarm wage and salary employment estimates in the above table. Employers from every county in the region added over 900 jobs in the new industry sector of leisure and hospitality. With the introduction of the North American Industry Classification System (NAICS) it is easier to see the increase in jobs related to tourism. The leisure and hospitality sector includes businesses in amusements, accommodations, and restaurants. The greatest increases in leisure and hospitality occurred in Sawyer, Bayfield, and Washburn counties. Since the May estimates mark changes during the week of the 12th they do not include all the summer hiring that occurs in these counties and there will be additional increases posted next month.

The second largest increase in jobs in May occurred with construction employers. All counties posted job gains in construction for a total increase in the region of 550 jobs. The counties with the greatest increases were Taylor, Douglas, and Ashland.

From April to May employers added a total of 2,500 jobs to the regional economy. Although job increases in leisure and hospitality and construction dominated the springtime hiring, employers from every industry sector contributed. Encouraging is the 160 job increase in manufacturing jobs. Most of those jobs were in only two counties, however, Rusk and Taylor, and production jobs in the region still lag last year by 110.

The decline in number of residents filing claims for unemployment compensation benefits follows the increase in seasonal jobs. The number of claims for weekly benefits dropped by 1,890 in the northwest counties from mid-April to mid-May. The total number of claims filed in the week including May 12th (the week used for labor force estimates) was 3,012. Compared with the same week one year ago there were 585 fewer weekly claims.

In general the number of continued claims submitted by Northwest Wisconsin residents continued to decline into June. By mid-June, however, workforce reductions in Douglas and Taylor counties added to the number of residents filing new claims for benefits. The closure of Fleming Companies Inc. in Superior at the end of June will undoubtedly increase the number of new claims in Douglas County.

Look for the most current Labor Market Information at: WWW.DWD.STATE.WI.US/LMI

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